

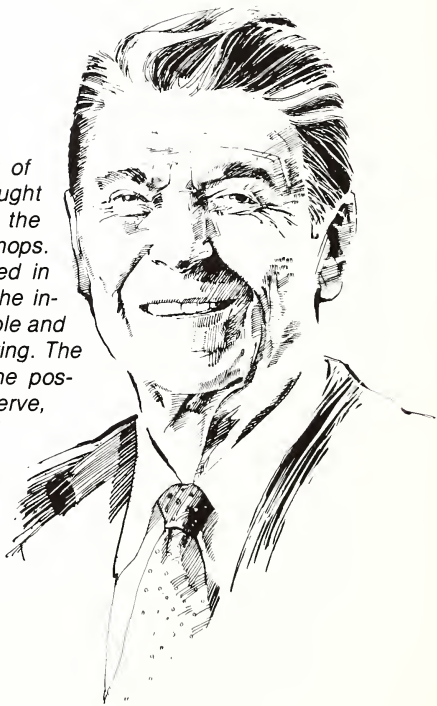
# SERVING THE NATION

U.S. Department of Commerce



*"The substance and prosperity of our Nation is built by wages brought home from the factories and the mills, the farms, and the shops. They are the services provided in 10,000 corners of America; the interest on the thrift of our people and the returns for their risk-taking. The production of America is the possession of those who build, serve, create, and produce."*

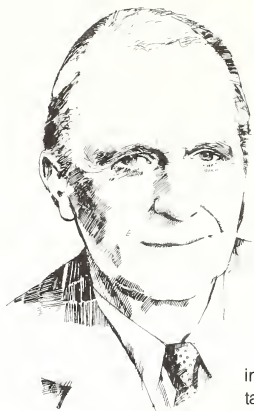
President Ronald Reagan  
February 18, 1981



The United States  
Department  
of Commerce  
**SERVING THE  
NATION**



September 1981



The Department of Commerce was established in 1903 with one of the most important tasks given to any cabinet office—to lend a helping hand to the business community.

Over the years, as modern technology ushered in periods of unprecedented growth and diversification in the nation's industries, the Commerce Department's task also grew and diversified. Today, the Department of Commerce is a unique

blend of varied programs designed to serve the nation, its business community and its individual citizens. The many components of Commerce—

International Trade, Census, Economic Development, Minority Business, Economic Analysis, Patent and Trademark Office, Travel Service, Bureau of Standards, NOAA—seem unrelated at first glance. Yet, each offers services

vital to business and jobs in our nation and important in the everyday lives of our citizens. For example, the subject of international trade might seem far removed from the everyday life of the average citizen. But when an overabundance of foreign products becomes unfair competition for domestic industries,

every American is affected. Congress recognized this fact when it established the Commerce Department and charged it to "foster, promote and develop the foreign and domestic commerce..." Trade is vital to our nation's

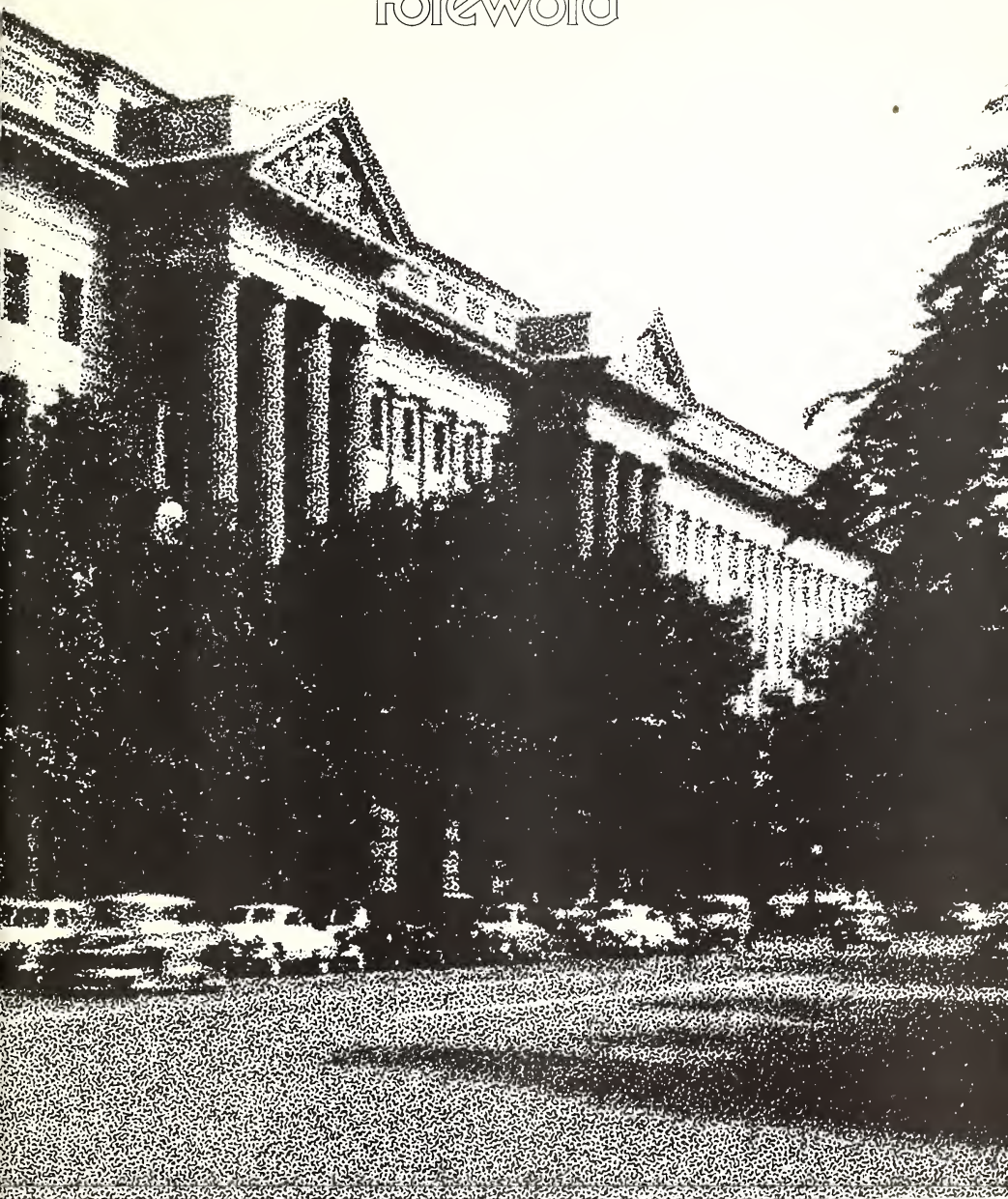
economic health. We must redouble our efforts to increase our exports, becoming the catalyst which brings more companies, particularly those small and medium in size, into the business of selling overseas. This means removing the barriers to trade and reducing export disincentives. I am proud to be leading the Department at a time of Government-wide commitment to increasing the vitality of American industry—for this is the principal mission of Commerce.

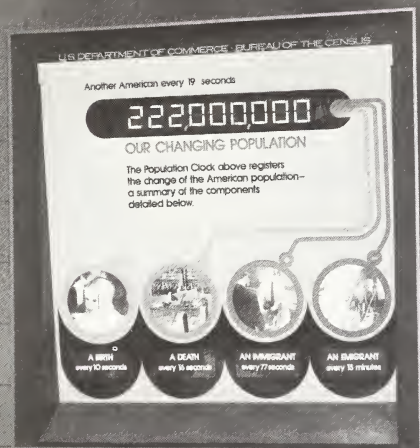
We have at our command resources and programs that can assist business, large and small, in expanding output, improving productivity, stimulating innovation, and creating new jobs. It is our responsibility to create an environment conducive to economic growth. This task demands that we strengthen the important link between government and the business community by removing, where possible, those impediments which have caused us to be adversaries. The tangible result of our efforts will be a more productive America.

Malcolm Baldrige  
*Secretary of Commerce*



# Foreword





THE U.S. Department of Commerce provides a wide range of services to the general public and to business at home and abroad in discharging its mission of encouraging stable and progressive growth for the benefit of all.

The Department was established by the Congress in 1903 to "foster, promote, and develop the foreign and domestic commerce, (and) . . . manufacturing and shipping . . . industries . . . of the United States."

In carrying out this mandate, its services bring into focus those economic opportunities that challenge the initiative of business and industry. Its programs promote the increased use of science and technology in the development of our industrial capacity and the production of civilian goods.

The Department provides business with basic economic research data that permit sound decisions on industrial growth and development. Its statistical data and business analyses provide the standard analytic framework for use in economic policy planning.

The decade of the 1980s brings a new look to the Department's international trade activities. It began with a major reorganization of the Federal Government's trade functions that consolidated the day-to-day operation of non-agricultural trade activities in the Department of Commerce. The conduct of America's trade became the central mission of the Secretary of Commerce.

The reorganization was designed to expand exports, improve enforcement of U.S. trade laws, and insure that the United States is equipped to take full advantage of trade opportunities generated by the Tokyo Round

# ...Serving the Nation

of the Multilateral Trade Negotiations. The post of Under Secretary of Commerce for International Trade was created within the Department, and the new International Trade Administration came into being.

The Assistant Secretary for Economic Affairs works closely with the President's Council of Economic Advisers, the U.S. Treasury, the Federal Reserve Board, and other economic policy officials, and services on various interagency committees and task forces dealing with economic questions. The Assistant Secretary for Economic Affairs serves as an advisor to all the bureaus within the Department regarding specific problems in their own areas that require data, analysis and forecasts of future developments in the U.S. economy.

The Assistant Secretary for Economic Affairs also exercises policy direction and general supervision over the Bureau of the Census and the Bureau of Economic Analysis. The Census Bureau, in addition to taking the national census of population and housing every ten years, provides many economic statistics on a weekly, monthly or annual basis and also takes censuses of business and agriculture every 5 years. Beginning in 1985, the Census Bureau will also conduct regular "mid-decade" censuses of population 5 years after each decennial census.

The Bureau of Economic Analysis develops and publishes such well-known economic series as the Gross National Product, Personal Income, and Corporate Profits. The two agencies provide a major portion of Federal economic and social statistics.

The Assistant Secretary for Economic Af-

fairs is responsible for the review and initiation of all major policies within the Department of Commerce, including energy, regulation, economic and business development, oceans and maritime policy and general economic policy.

The National Oceanic and Atmospheric Administration (NOAA), created in October 1970 from several Federal agencies, seeks to improve our understanding and uses of the earth's physical environment and its oceanic life. NOAA seeks to ensure wise use of the oceans and their resources to enable development as well as conservation of these resources. The agency's responsibilities were broadened by passage in October 1972 of three major acts of Congress—providing for management of the Nation's coastal zone, protection of marine mammals and regulation of ocean dumping.

The National Bureau of Standards provides science and industry with accurate and uniform physical measurements for such quantities as length, mass, time, volume, temperature, light, and radioactivity—measurements so necessary to mass-production technology. NBS also acts as an impartial, technical adviser and assistant to government, private industry, and the general public in solving science and technology-related problems. Recent Bureau research has contributed gains in measuring environmental contaminants, improving energy efficiency and industrial productivity, and promoting better use of materials.

The Patent and Trademark Office, which plays such a key role in invention and innovation, has been processing new record highs in patents while reducing the average pendency time of

patent applications from 20 to 18 months. It has also given special priority to the processing of applications for patents which may aid in conserving energy or curbing environmental abuses.

The Minority Business Development Agency, created within the Department to develop and coordinate a national program to assist in the establishment of new minority businesses and the expansion of existing ones, is a growing con-

cern. MBDA has established six fully staffed regional offices in major cities and smaller field offices in 16 other cities.

Dissemination of technology has gained added emphasis and quality through the Department's National Telecommunications and Information Administration and through its National Technical Information Service, which has inaugurated an advanced retrieval service to provide immediate access to more than 300,000





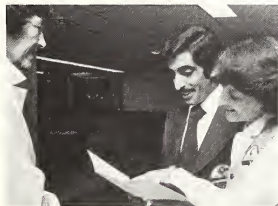
government technical reports.

The United States Travel Service, through international marketing efforts, promotes VISIT USA. Foreign visitors have grown to a rate of more than 23 million a year, bringing in an excess of \$14 billion to the travel and transportation industries of the U.S. and assisting in alleviating the deficit in our balance of payments.

In 1980, the Bureau of Industrial Economics

was organized to provide industry information and economic analysis. BIE industry specialists evaluate industry data, analyze current trends and make long-term projections of economic activity in specific industries.

Many of the Department's services are provided through its 47 district offices. In all its operations, the Department of Commerce seeks to create a climate of confidence necessary for orderly growth and equal opportunity for all.



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# International Trade Administration

In broadest terms, the International Trade Administration is the "commerce" part of the Department of Commerce. Its job is to promote U.S. exports around the world.

There was a time in America when none of us gave much thought to world trade.

We had all we needed or wanted right here at home. Our manufacturers could prosper in our vast domestic market and never concern themselves with finding new customers overseas.

But times have changed. Today we are part of an interdependent global economy. We aren't self-sufficient any more. We must trade to survive.

ITA serves American business in all aspects of international commerce, both at home and abroad, so that healthy, growing trade may create jobs for our workers, strengthen our economy, and provide a better standard of living for all Americans.

To achieve these aims, ITA operates in seven broad areas of activity—Export Development, East-West Trade, U.S. and Foreign Commercial Services, International Economic Policy, Export Administration and Import Administration.

## Export Development

The United States needs every foreign market it can get for the products of its manufacturers. These markets are required to help pay our enormous bill for foreign oil, to offset continuing big trade deficits, to maintain the strength of the dollar around the world, and to insure the health of the U.S. economy.

One of the biggest impediments to export growth is the lack of export effort by U.S. industry. Out of an estimated 250,000 manufacturing firms in this country, only about 25,000 are exporters. It is estimated that at least double that number could export if they tried.

For many, exporting seems too complicated and time-consuming, or just too risky. Given a choice, most would rather sell in Toledo, Ohio, than in Toledo, Spain.

Under the American free-enterprise system,

Government can do everything in its power to improve the climate for exporting, but only U.S. private industry can make the sales. However, many companies need Government help in doing the job, particularly in the early stages of exporting. ITA provides counseling, market information and promotional assistance to give American companies the confidence, knowledge and opportunity to succeed in international trade.

ITA works on two fronts: stimulating more business awareness and interest in the benefits of exporting, and helping business to find and sell to overseas customers.

To encourage more U.S. firms to export, ITA holds conferences and seminars on exporting, publishes scores of informative publications on trading, provides U.S. business with specific information on potential agents and customers abroad, answers business inquiries and provides direct business counseling.

ITA concentrates on reaching individual firms to provide information on overseas agents and distributors, specific leads on export sales, construction and engineering projects, and licensing and investment opportunities abroad. It also helps bring foreign buyers to the United States to get together with U.S. manufacturers.

To help U.S. firms find new customers overseas or get established in new foreign markets, ITA conducts overseas trade promotions of various sizes, types and duration. Much attention is given to assisting firms not yet established in exporting or in particular markets, but ITA also aids exporters in expanding their markets.

## East-West Trade

The United States does a sizable amount of trading with the centrally planned economies of Eastern Europe, the U.S.S.R., and the People's Republic of China. Trading with these countries is a unique experience for U.S. business, because purchasing and negotiating are done through state officials.

Trade relations with these countries, in spite of their improvement in recent years, are not yet

"normalized" with all the countries. ITA tries to ensure that within the bounds of national security and foreign policy considerations, U.S. industry is able to exercise its export capabilities to the fullest.

Basic analytical work sets the stage for ITA's trade development and promotion activities in these countries. The staff keeps abreast of economic and industrial trends in each country and develops both individual country and broad East-West trade policies. It works with U.S. firms, stimulating their awareness of the benefits of exporting, advising them on business practices, helping them obtain the necessary government clearances for exporting, and bringing business opportunities to their attention. ITA also helps U.S. firms display their goods in these countries by staging commercial exhibitions, technical sales seminars and video-catalog shows.

Import analysis is another key responsibility for ITA. Once the government establishes import quotas or marketing agreements with other countries, implementation becomes ITA's responsibility. ITA collects and monitors the import data, works with U.S. importers' problems, settles technical questions with exporting countries, and takes corrective action to ensure that agreements are honored.

ITA chairs and administers the program of an interagency committee to implement textile agreements that the United States has worked out with foreign countries. ITA monitors imports under agreements which cover about 75 percent of U.S. cotton, wool and manmade fiber textile imports. It participates in the negotiation of these agreements, which seek to prevent disruption of the domestic market.

## Domestic Business Development

To attract the attention of potential foreign buyers, ITA holds exhibitions of U.S. products at international trade fairs and in its own export development offices. It also sponsors trade missions, catalog shows and other special activities.

In addition, ITA collects more marketing information than probably any similar agency in the world today. This information is passed on to U.S. industry in more than 300 individual marketing publications annually; through thousands of direct business counseling sessions, responses to letters and telephone inquiries, and by mass mailings.

ITA has taken the initiative in developing a





computerized international marketing information system that is expected to become the most comprehensive marketing intelligence resource of its kind. Called WITS—for Worldwide Information and Trade System—it will be a direct link from our district offices in the United States, through ITA headquarters in Washington, to our commercial officers overseas, furnishing export information quickly and accurately to all locations. WITS began operation on a limited basis in 1980.

Some marketing areas, such as the Middle East, need extra attention because of their huge potential. ITA set up the Commerce Action Group for the Near East (CAGNE) as a complete operating unit so that firms wanting to do business in this area could come to a single source for information—in essence, one-stop shopping.

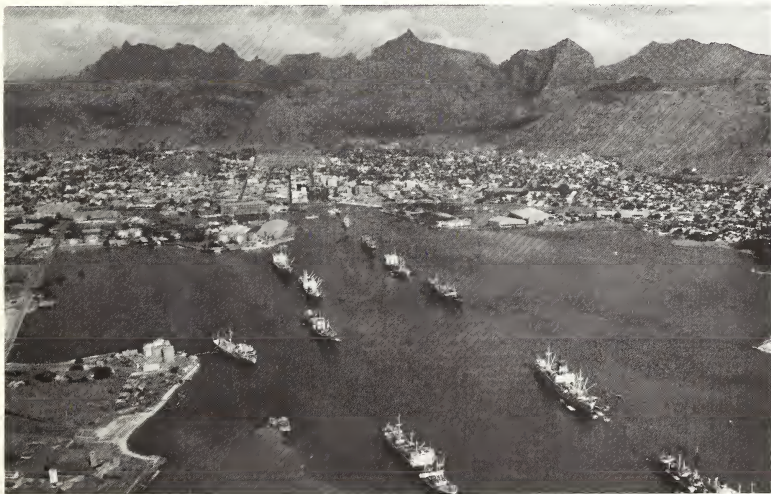
Export planning begins with locating the growth markets for U.S. products. To do this, ITA performs extensive research to target U.S. export promotion efforts in those markets where

U.S. industry is most likely to complete effectively. ITA develops the basic strategies and objectives for trade promotion programs, and evaluates its programs against these objectives to determine where the United States is successful in its promotion efforts.

## Commercial Services

Exporting companies in the United States range from the small manufacturer to the giant conglomerate. Each has its own special needs, whether it be in entering a foreign market for the first time or in testing international demand for a sophisticated new product.

The Commerce Department's U.S. Commercial Service and its Foreign Commercial Service, linked through ITA headquarters in Washington, provide the American export community with a single network of trade-assistance services that extends from domestic field offices to Foreign Service posts around the world.



At home, ITA operates a chain of 47 District Offices that make up the U.S. Commercial Service. They bring ITA's vast resources directly to the local business community.

The trade specialists in these offices are particularly concerned with assisting small-and medium-sized firms—those most likely to be unfamiliar with the exporting process—and providing them with information on finding and developing markets for their products' abroad. They provide export counseling, conduct seminars and conferences on exporting, maintain libraries of trade data, provide information and advice on U.S. and international trade regulations, and offer leads to financing and investment opportunities.

The Department's Foreign Commercial Service came into being with the 1980 reorganization of the Government's trade functions. This includes transferring management of U.S. commercial representation abroad for the 65 countries considered to be the most important U.S. bilateral trading partners from the State Department to Commerce.

To help American business abroad, Foreign Commercial officers seek out trade opportunities, provide basic data on foreign markets and firms, supply information on U.S. goods and services to foreign buyers and consult with foreign governments on trade questions. They provide direct support to Commerce export promotion activities overseas, including commercial exhibitions, trade missions and procurement conferences.

ITA's commercial services also include publication of *Commerce Business Daily*, which provides the business community with information on Federal Government procurement actions and other types of contract awards and business opportunities. Approximately 125,000 procurement and 45,000 contract awards are published annually.

## International Economic Policy

As important as direct export assistance is, its effectiveness declines when the climate for trade is hostile. Creating a favorable policy environment is crucial to export growth.

ITA is concerned with policies in export financing, tariffs, non-tariff barriers, subsidies, basic commodities, taxes, exchange rates, investment regulation, and hundreds of other areas in which U.S. international regulations and policies determine how trade and investment take place.

The most important arena for developing international trade rules has been the Multilateral Trade Negotiations (MTN). The most recent of these negotiations is the Tokyo Round of the Multilateral Trade Negotiations, concluded in mid-1979 after 5 years of talks, in which the United States and its principal trading partners reduced tariff barriers to trade and agreed to international codes for reducing non-tariff barriers.

In the Tokyo Round, ITA did most of the preliminary work of analyzing tariff rates and non-tariff barriers affecting U.S. trade, and the effect of all MTN offers and counteroffers on our industry and commerce. ITA provided staff support and policy guidance to the U.S. team during the negotiations, and took responsibility for implementing the new trade agreements after they were approved by the U.S. Congress. This includes monitoring foreign government compliance with MTN codes on export subsidies, government procurement, product standards and import licensing, as well as enforcing U.S. rights under the agreements.

ITA also monitors foreign government actions to ensure that previous agreements on tariffs and trade practices are honored, and initiates corrective steps when needed. It identifies and

acts on unfair foreign trade practices that affect U.S. imports and participates in developing U.S. policy regarding raw materials trade.

It ensures that U.S. trade interests are reflected in bilateral negotiations, and analyzes every legislative or executive initiative that affects trade. It also studies tax, financial, and investment policies and proposals for their impact on U.S. international competitiveness, and acts to ensure that trade liberalization applies to services as well as to goods.

Foreign investment in the United States has become a matter of concern, and Congress has mandated that it be more carefully monitored and analyzed. ITA has the responsibility for following that mandate. It reviews investment transactions, calling attention to potential problems for interagency consideration and keeping the Congress and the public informed on these activities. It also expands the data available on this phenomenon and its effects on the U.S. economy.

ITA's planning and research office identifies trade trends and problems, develops trade strategies based on analyses of U.S. and global economic activity, and prepares policy options to improve the competitiveness of U.S. exports. To develop a better understanding of the U.S. competitive position and its future potential, the office tracks changes in the economies of major U.S. trade competitors and publishes its findings for the business community and the general public.

ITA has a staff of "country desk officers" who keep in close touch with major developments in each country's economy and economic policy, using this knowledge to help determine U.S. government attitudes in negotiations; to advise business on long-range trade and investment strategy in these countries, and to appeal local measures unfair to U.S. interests.

ITA also is responsible for supporting U.S. participation in the U.S.—Japan Trade Facilitation Committee, which was established by the two governments—at the suggestion of the United States—to remove Japanese obstacles to imports and thus reduce Japan's large trade surplus with the United States.

ITA chairs the interagency committee that implements U.S. textile agreements with 21 foreign countries. These agreements account for about 75 percent of U.S. cotton, wool, and man-made fiber textile and apparel imports. ITA monitors the imports under these agreements, settles technical questions with exporting countries, and takes corrective action to ensure that the agreements are honored.

ITA also conducts a special program to expand U.S. exports of textiles and apparel by assisting U.S. firms with market research, seminars, trade shows and missions and by seeking to remove foreign trade barriers. A new Domestic Apparel Program in ITA assists the apparel sector with technical research and education, as well as trade impact assistance.

## Export Administration

By law—specifically, the Export Administration Act—ITA administers controls on exports that may, for reasons of national security, foreign policy, or short supply, have a detrimental effect on the national well-being.

ITA's enforcement of the law is undertaken with the least possible disruption to U.S. industry and its trade potential. Most of the work involves processing export license applications, some of which require extensive technical analysis and interagency coordination.

Besides reviewing and analyzing license applications for approval or denial, the staff prepares statistical and analytical reports, devel-

ops and publishes export control regulations and procedures, and assists industry with export control questions.

ITA also investigates license violations under the Export Administration Act and conducts other compliance checks. The staff works to curtail exports found to contribute to a scarcity of goods in the United States.

In addition, ITA administers the foreign boycotts provisions of the Export Administration Act which prohibits U.S. persons from complying with unsanctioned foreign boycotts against countries that are friendly to the United States. This work includes enforcing the law, advising and educating the public about the law, and making recommendations to better implement the United States' antiboycott policy.

ITA also must insure that U.S. industry is fully prepared to meet the industrial requirements of the national defense and to respond to any national emergency. Responsibilities for industrial preparedness are supported by industrial resource analysis programs, including industrial mobilization evaluation and stockpile management. As mandated by law, ITA sees that purchases for approved defense and energy programs are given preferential treatment by producers. It also provides assistance to resolve delivery problems, allocates basic materials needed for filling approved defense and energy orders, and issues directives to overcome production bottlenecks.

## Import Administration

In 1980, ITA took on the responsibilities of administering U.S. antidumping and countervailing duty statutes and administering the trigger price mechanism (TPM) for imports of certain steel mill products.

The antidumping statute is concerned with situations in which foreign manufacturers export their goods to the United States at prices lower than those in their home markets. The countervailing duty statute is concerned with situations in which foreign goods enter the United States with the benefit of foreign subsidies that give the foreign product an unfair competitive advantage in our market.

The antidumping and countervailing duty statutes are two of the most important U.S. laws designed to protect domestic industries against unfair import practices. ITA is responsible for conducting investigations to determine whether imported products are entering the United States at "dumped" prices or with the benefit of a foreign subsidy. If ITA finds either of these situations to be the case, and the U.S. International Trade Commission determines that the





dumped or subsidized imports are causing injury to a U.S. domestic industry, a duty in addition to any regular Customs duty is imposed. The additional duty would be equal to the dumping margin or extent of subsidization found.

ITA is responsible for annual reviews of each of these cases in order to calculate the amount of additional duty to be assessed. The investigations conducted by ITA under these two statutes generally are initiated as the result of petitions filed with ITA on behalf of the allegedly injured domestic industry.

In administering the TPM, which was set up in December 1977 to monitor the prices at which certain steel products are imported into the U.S., ITA initiates antidumping investigations to determine whether the steel is being sold at less than fair value.

ITA has statutory responsibility for administering U.S. Foreign-Trade Zones and processing applications for new zones. Foreign-Trade Zones are areas under U.S. Customs supervision into which foreign merchandise may be brought without immediately going through the usual formal Customs entry. The goods may be exhibited, stored, assembled, or used in accordance within the zone, and duties need not be paid unless and until the goods or their end products enter U.S. Customs territory from the zone.

ITA also administers the duty-free importation of scientific instruments for educational or research facilities, and allocates quotas for duty-free imports of watches assembled in the Virgin Islands, Guam and American Samoa.



# Economic Development Administration

The Economic Development Administration helps communities in economically lagging areas to create jobs, increase incomes and strengthen tax bases through industrial and commercial growth.

Most EDA assistance is available only in those areas of the Nation experiencing such problems as high unemployment, low income, or sudden and severe economic dislocations.

Such areas become eligible for a range of EDA tools if they meet the requirements and prepare an acceptable plan which includes a summary of local needs, resources, and goals.

## Public Works Grants

The EDA programs include grants to help build public facilities essential to industrial and commercial growth. Typical projects are industrial parks, access roads, water and sewer lines and port and airport terminal developments. While the basic thrust of the program is aimed at the creation of permanent jobs in businesses and industries, the agency also makes grants to help create immediate jobs in the construction of useful public facilities in areas of high unemployment. These labor-intensive projects are often designed to refurbish existing buildings and to add energy conservation techniques.

## Private Sector Investment

EDA's investment program for private industry consists of direct Federal loans and the guarantee of private loans. Proceeds from the loans may be used for working capital to maintain and expand operations or for fixed assets such as the purchase of land, construction of plants, and the purchase of machinery and equipment.

Financial assistance is available to private enterprise under provisions of both the Public Works and Economic Development Act of 1965, as amended, and the Trade Act of 1974. Before a business can receive Trade Act assistance, it must show it has been hurt by imports and also prepare a proposal detailing how it intends to recover from its problems.

EDA provides financial support to a network of 10 Trade Adjustment Assistance Centers operated by nonprofit organizations to provide outreach service to firms threatened by foreign trade. The centers use their professional staffs and industry experts to provide technical, management, and financial services under the program.

## Solving Economic Adjustment Problems

The Title IX Special Economic Adjustment Assistance Program is designed to help address problems related to sudden and severe dislocation, such as the loss of a major employer. The program also deals with long-term deterioration, as indicated by a series of business closings or outmoded industrial plants. The program provides financial assistance to (1) prepare an economic adjustment strategy or (2) carry out an approved strategy.

## Planning

EDA makes planning grants to help local units of government pay the administrative costs of economic development staffs. Recipients of planning grants may represent an area such as a county, a neighborhood or community, a group of counties organized into a district, a city or a state. EDA's planning program underscores the importance of coordinating public and private investments in economic development and in developing local capacity to relate planning to decision-making and the budget process.

## Technical Assistance

The EDA technical assistance program is geared to help local communities develop available resources and expertise in economic development. EDA provides technical assistance grants for studies to determine the economic feasibility of resource development to create jobs. Technical assistance grants also are made to organizations for supporting institutional structures capable of addressing widespread problems.

Thirty-five economic development centers sponsored by colleges and universities receive financial support from EDA's technical assistance program. The university centers provide management and technical assistance to businesses and communities and serve as links between the business community and the academic world.

### Research

EDA also conducts a research program in support of the long-range objectives of the Public Works and Economic Development Act. The research seeks to determine causes of unemployment and underdevelopment and to develop and demonstrate innovative methods of meeting the changing economic development needs of the Nation. The agency publishes selected research papers and sponsors seminars to bring together interested parties to discuss the results of EDA research.

### Steel Program

EDA provides special assistance to the steel industry, steel-dependent communities, and their residents as part of initiatives to help this vital sector of the Nation's economy. An important element is EDA's \$550 million special steel loan guarantee program to assist medium-sized steel firms in obtaining credit needed to restore viable operations and comply with Federal pollution abatement laws.

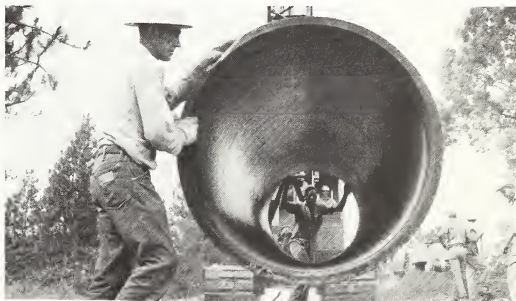
### Special Programs

In recent years, EDA has been given responsibility for administering a variety of special programs, the most substantial of which was the countercyclical Local Public Works Program.

EDA funded 10,616 projects under two rounds of this program in Fiscal 1977 with \$6 billion in Federal funds. The program generated employment opportunities and provided local communities with new or refurbished public facilities.

The \$4 billion Round II included an historic requirement calling for spending at least 10 percent of each grant with minority businesses. Data received to date indicate that more than 17 percent of the total funds, or over \$700 million, went to minority firms.

EDA made grants totaling \$47 million for construction of sports facilities for the 1980 Winter Olympic Games at Lake Placid, New York. The Olympic Winter Games Authorization Act of 1976 authorized EDA's support for the Lake Placid project. In addition to the sports facilities, EDA administered \$22 million from the U.S. Department of Justice for athletes housing. All of the facilities—including the ice arena, two ski jumps, a luge run and speed skating oval—are expected to serve as a foundation for future economic growth of northern New York.





# Bureau of Industrial Economics

The Bureau of Industrial Economics was organized in 1980 to centralize and strengthen the Department's capability for providing industry information and economic analysis. Its staff of industry specialists, economists, and statistical experts provide research and economic analysis related to individual industries and groups of industries. These services develop the data and analysis needed in the formulation and evaluation of industrial policy.

The industry specialists of BIE follow more than 500 industries. They evaluate industry data from a variety of sources, analyze current trends, and make long-term projections of economic activity in specific industries. The industry specialists also consider related economic and policy factors, regulations, and trade developments. The results of their work are available to the business community as well as to Government officials.

BIE's industry specialists serve as technical experts within the Government, providing information and analysis to tax, trade, regional assistance, and policy analysts. Through the annual *U.S. Industrial Outlook*, they reach the financial, business, and academic communities

in addition to the Executive and Legislative branches of the Federal Government. This publication has the current analysis and 1- and 5-year projections for more than 200 industries, with yearly sales exceeding 20,000 copies.

The industry analysis functions make up the core of BIE activities. However, the establishment of the new Bureau enabled the Department to expand these industry-specific activities into a comprehensive micro-economic program. The Bureau has already produced studies of industrial issues that are notable for the combination of an intimate knowledge of an individual industry with sophisticated economic analytic technique. The *Industrial Economics Review*, a recently established periodical publication of the Bureau, is a showcase for such studies.

In addition to the ongoing publication of research and analysis, BIE provides support to other areas of the Department, such as the International Trade Administration and the Economic Development Administration, by studying trade-related or other issues related to specific industries, and to many other Federal agencies, and the White House, as well.





# Bureau of the Census

The Census Bureau provides continuing measures of significant social and economic developments. Its statistics are used to guide programs and provide services at all levels of government and are widely used by business and industry to analyze trends and develop sound marketing programs.

The Bureau currently is producing information gathered in the 1980 Census of Population and Housing, making available in publications, on magnetic tape and in microform, statistics on the social and economic characteristics of some 226 million persons.

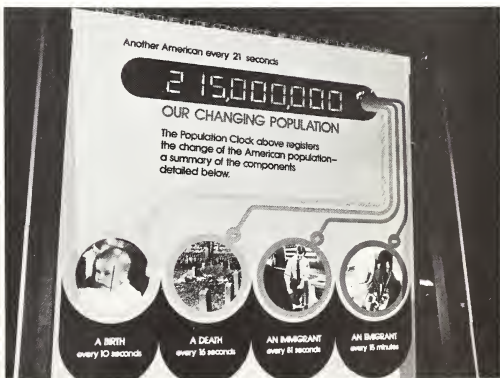
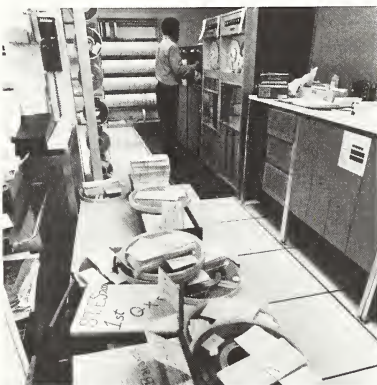
In addition, the census produces the population counts used to determine the number of seats in the U.S. House of Representatives (to which each state is entitled, as required by the Constitution). It also provides data used in redistricting the State legislatures and for other official purposes.

Every 5 years the Bureau conducts a series of censuses that measure the economic status of the Nation, and are indispensable to analysis and planning by both government and private business. These censuses generate detailed information, down to the county level, in the areas of manufacturers retail and wholesale trade, service industries, mineral industries and construction, agriculture, transportation, and the functions of state and local governments.

In addition to the censuses the Bureau performs work on a reimbursable basis to fill needs outside the agency. This includes special censuses for cities and towns, tabulations to fill the specific needs of qualified persons and organizations, and some 250 surveys in a typical year to generate data needed to meet the responsibilities of other Federal agencies. This data is available from no other source. Examples are those covering unemployment and cost of living, health, and crime.

The Bureau produces annual or more frequent reports that monitor a wide variety of the Nation's activities, including but not limited to those covered in the censuses. Examples are quarterly, monthly and even weekly reports on key sectors of the economy such as energy, the housing industry, industrial production, sales, and data on exports and imports. These and other reports are important factors in producing the Nations leading economic indicators, for instance, the Consumer Price Index.

The Census Bureau periodically compiles statistics that the agency presents in a single publication. The agency draws upon scores of sources within and outside the Government to produce the annual 1,000-page *Statistical Abstract of the United States* and the biennial *Pocket Data Book*. Statistics are brought together to produce the *County and City Data Book*, and a new publication entitled the *State and Metropolitan Area Data Book*. An economic portrait for each State emerges through *County Business Patterns*. The past may be assimilated



through *Historical Statistics of the United States*.

The Census Bureau in recent years has concentrated on making it easier for people and organizations to use its statistical products and services. Data user service specialists have been trained and assigned to each of the 12 regional offices, working in liaison with a Division created to assist data users within the Bureau's headquarters in Suitland, Md. Data Centers have been established, with Census Bureau assistance, in well over half the States. Most States are now active in the National Clearinghouse for Census Data Services (formerly called Summary Tape Processing Centers). Bureau specialists conduct frequent user training seminars, workshops, and conferences. And several guides and directories to census data have been published.

The Census Bureau is recognized as the most advanced statistical agency in the world and has trained hundreds of statisticians from scores of other nations, including the People's

Republic of China, under its International Statistical Programs Center. The Bureau also maintains a Foreign Demographic Analysis Division and International Demographic Data Center.

Over the years the Census Bureau has been in the forefront in the development of computer technology, having ordered the first electronic computer for data processing (UNIVAC I). It has contributed substantially to the development of statistical methodology such as sampling methods for surveys and computerized geographic coding of street addresses. It maintains Divisions specializing in statistical methods and research, and systems development and support.

The Bureau operates under an exceedingly strict Federal law which prohibits the disclosure of personal data collected in censuses, and its strong record under this law undoubtedly contributed to the success of the 1980 effort, now recognized as the most accurate census of the Nation's population in modern times.



# Bureau of Economic Analysis

The Bureau of Economic Analysis (BEA) plays a major role in the measurement and analysis of U.S. economic activity. BEA provides a clear picture of the economy through the development, preparation, and interpretation of the economic accounts of the United States. The accounts provide a quantitative view of the economy in terms of production, distribution, and use of the Nation's output.

The economic accounting framework established by BEA has become a mainstay of modern economic analysis concerned with such key issues as inflation, economic growth, income distribution, and the Nation's role in the world economy. The accounts and policy-oriented analysis related to them play an influential role in the formulation of government and private business policies.

National income and product accounts provide a comprehensive view of the state of the economy and relationships among the Nation's major economic groups—consumers, business, government, and foreigners. Gross national product (GNP), the market value of the Nation's output of goods and services, is the cornerstone of the national income and production accounts. The accounts show the kind of goods and services that make up the GNP, and the kind of income, such as personal income and profits, generated in its production. Measures of changes in the prices of the goods and services that make up the GNP are also provided.

Wealth accounts show the holdings of the Nation's tangible wealth, including structures, equipment, inventories, residences, and consumer durables. Estimates of the structures and equipment owned by business are crucial to the analysis of the Nation's ability to produce goods and services.

Input-output accounts show how industries interact—buying from and selling to each other—to produce the GNP. These accounts provide a cross-sectional view of the economy that is especially useful for industry analyses and projections.

Income size distribution accounts show how the Nation's income is shared among families by income size and by age, sex, and race of head of family. This information is used by government in formulating tax policy and welfare programs and by business in marketing decisions.

Environmental accounts show the expenditures made by business, consumers, and government to protect the environment. These accounts show what portion of GNP goes to produce a cleaner environment.

Regional accounts provide detail on economic activity by region, State, standard metropolitan statistical area (SMSA), and county. Estimates of personal income by State and county are among criteria used to allocate Federal revenue-sharing funds. BEA's projections of population, employment, personal income, and earnings are used by planners to forecast demand for goods and services.

Balance of payments accounts give details of U.S. transactions with foreign countries and on the international investment position of the United States.

These accounts contain estimates of the major types of international transactions, such as exports, imports, travel, transportation, foreign aid, private investment flows, and changes in monetary reserves.

The system of accounts is supplemented by various other tools for measuring, interpreting, and forecasting economic developments. BEA regularly surveys U.S. business capital investment outlays and plans, and manufacturers' capacity utilization. BEA maintains a system of indicators to track business cycles and evaluate the cyclical nature of aggregate economic activity. Econometric models are developed and operated by BEA to forecast short- and long-term changes in economic activity and to analyze the effects of alternative fiscal and monetary policies. However, while BEA provides policy-oriented analysis that focuses on the spotting and diagnosis of emerging economic problems and on alternative economic policies that might be used to deal with these problems, the agency does not provide policy advice. This is essential to preserving BEA's objectivity and professional integrity.

Most of BEA's work is published in its monthly journals, the *Survey of Current Business* and *Business Conditions Digest*, both available from Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. The *Survey of Current Business* is the journal of record for most of the estimates of the national, regional, and international accounts. A regular

article reviews recent economic developments and analyzes significant emerging trends. Special articles present findings from ongoing BEA programs and special research projects, which contribute to a better understanding of the economy. In addition, the *Survey* contains a statistical section with 2,500 series from 100 sources covering all aspects of the economy. *Business Conditions Digest* is designed for

business cycle analysis. It contains charts and tables for 500 economic series, including the composite indexes of leading, coincident, and lagging indicators, that provide insights into broad movements in the economy.

A catalog of publications and computer tapes is available from the Bureau of Economic Analysis, U.S. Department of Commerce, Washington, D.C. 20230.





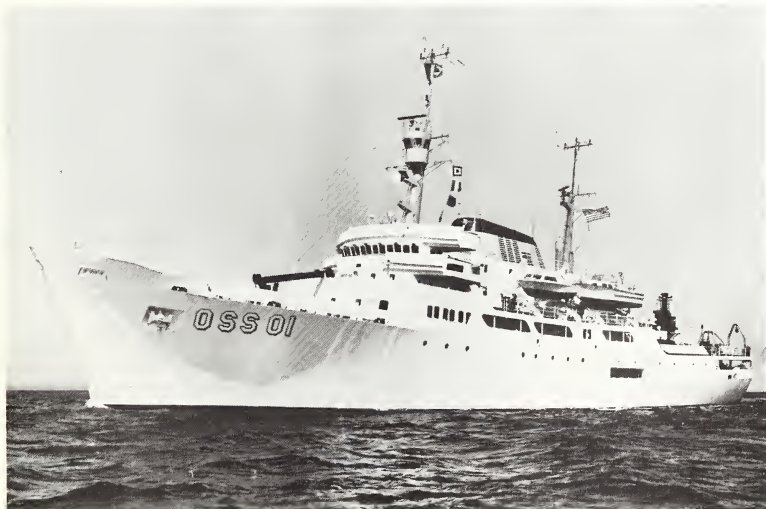
# National Oceanic and Atmospheric Administration

NOAA, The National Oceanic and Atmospheric Administration, was created in 1970 to serve as a leader in a national effort to improve our understanding and uses of the earth's physical environment and the relationship between global atmospheric and oceanic processes.

NOAA scientists and engineers measure processes within the global ocean, study interactions among sea and land and sea and atmosphere, and map the geophysical structure and resources of the ocean floor. They describe and conserve the living resources of the sea, seek to develop new ones, and link the responses of marine life to environmental changes. They survey the varied faces of the continents, and monitor the effects of solar radiation on the earth and near-earth environment. They monitor and predict conditions in the atmosphere and ocean, and issue timely warnings against such destructive natural events as hurricanes, tornadoes, winter storms, seismic sea waves, and floods, as well as potentially

disruptive environmental changes which occur over decades, generations, and centuries. They are investigating how weather modification, deliberate and inadvertent, may modify the environment—constructively and destructively. They work on a global scale, over a broad range of earth-monitoring disciplines, using as tools a mix of environmental satellites, instrumented aircraft, a fleet of 25 research ships, automated sensor stations, laboratories, and giant computers. Through NOAA, the Commerce Department is applying the knowledge gained from this focus of scientific and technological expertise and experience to the benefit of the Nation and humankind.

NOAA combines the functions of several Federal activities in the environmental and marine biological sciences and related technologies. Through its National Marine Fisheries Service, NOAA manages, conserves and protects the living resources of the sea. Between 15 and 20 percent of the world's traditionally harvested fishery resources are found



within 200 miles of America's coasts. NOAA administers the Fishery Conservation and Management Act of 1976—a unique law designed to assure that fishing stays within sound biological, economic and other limitations and that U.S. commercial and recreational fishermen have the opportunity to use all of the fishery resources within these limits.

NOAA performs basic biological and technological research through a nationwide network of 24 of the world's finest fishery laboratories. By implementing the Marine Mammal Protection Act of 1972, the Endangered Species Act of 1973, the Fish and Wildlife Coordination Act, and a variety of other laws, NOAA also seeks to protect vital living marine resource habitats and unique species of marine fish and wildlife—such as the great whales, porpoises, seals, and sea turtles.

The National Marine Fisheries Service conducts biological research on economically important species, analyzes economic aspects of

fisheries operations, develops methods of improving catches, and, in cooperation with the Department of State, is active in defending U.S. interests in international fisheries affairs. With the U.S. Coast Guard, the National Marine Fisheries Service conducts enforcement and surveillance operations on the high seas and in territorial waters. It also studies game fish behavior and resources, seeks to describe the ecological relationships between game fish and other marine and estuarine organisms, and investigates the effects on game fish on thermal and chemical pollution.

The National Marine Fisheries Service conducts a voluntary grading and inspection program under which fishery products that meet established quality standards and product specifications can bear a special shield that is the shopper's guarantee that the product was of high quality when it left the processor. A staff of marketing specialists and home economists provides services to Federal and State govern-



ments, industry, and consumer organizations in the use of fish and fishery statistics and market news.

More than half the U.S. population lives in coastal counties, where demands for industry, housing, transportation, energy, recreation, food supply, and waste disposal are increasing rapidly. NOAA's Office of Coastal Zone Management administers the Coastal Zone Management Act of 1972, designed to assist coastal States in reconciling these increasing, often conflicting, demands. NOAA funds help these States in developing and carrying out comprehensive programs for managing their coastal zones, protecting valuable coastal resources such as wetlands and beaches, and increasing access for recreation. NOAA also provides Coastal Energy Impact Program grants and loans to State and local governments to offset the effects in the coastal zone of such energy-connected activities as offshore petroleum development. In addition, the Office of Coastal

Zone Management administers programs to protect and preserve unique coastal areas. NOAA's Estuarine Sanctuaries Program preserves valuable estuarine systems through 50% matching grants to States, and its Marine Sanctuaries Program protects unique areas of U.S. coastal waters and the Great Lakes for their conservation, recreational, ecological, and aesthetic values. Finally, NOAA is a source of innovative programs seeking to assure that Federal decisions on matters such as ocean dumping, deep water ports, and outer continental shelf oil and gas development take into account existing or potential conflicts with other marine users.

Through NOAA's office of Oceanic and Atmospheric Services the Federal Government keeps track of the world's physical environment. As one aspect of that activity the National Weather Service reports the weather of the United States and its possessions, provides weather forecasts to the general public, and





issues warnings against tornadoes, hurricanes, seismic sea waves, floods, and other weather hazards. The Weather Service also develops and furnishes specialized weather services and weather-related products which support the needs of agriculture, aviation, maritime, space, and military operations. These services and products are made possible by a national network of surface and upper-air stations, communication links, weather radar aircraft, environmental satellite systems and computers.

The Weather Service's 5,000 employees are located at approximately 400 facilities within the 50 states, at overseas stations, and on ships at sea. Special facilities include the National Meteorological Center in Suitland, Md.; the National Hurricane Center in Miami, Fla., and the National Severe Storms Forecast Center in Kansas City, Mo.

NOAA's National Ocean Survey prepares nautical and aeronautical charts and other navigational products, maintains the Nation's precise geodetic survey network, predicts tides and currents, and performs related hydrographic, oceanographic and survey activities in the environment.

It maps and charts American coastal waters, the Great Lakes, and navigable waters of the New York State Barge Canal System, Lake Champlain, and the Minnesota-Ontario Border Lakes. The National Ocean Survey manages NOAA's research and survey ships and their

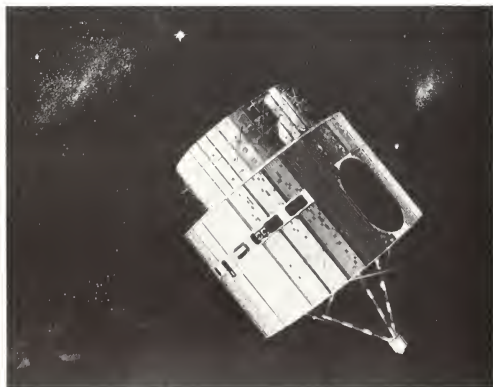
coastal facilities. It provides the national focus point for technology related to instrument measurement, evaluation, and the reliability of sensing systems for ocean use.

The Survey employs approximately 2,000 persons. Its major facilities include the Atlantic and Pacific Marine Centers, at Norfolk, Va., and Seattle, Wash., and a network of geophysical observatories.

NOAA's Environmental Data and Information Service (EDIS) acquires and disseminates vast amounts of global data and information concerning the oceans, weather and climate, the earth, and the sun—and their interactions—collected by NOAA's observational services and many other agencies and individuals, both domestic and foreign. Its services and products are designed to meet the needs of over 140,000 users annually in commerce, industry, agriculture, the scientific and engineering community, the general public, and Federal, State, and local governments. EDIS also provides assessments of the impact of environmental quality, telecommunications, and other social and economic systems.

To provide these services and products, EDIS operates five specialized service centers located in Washington, D.C., Asheville, N.C., and Boulder, Colo. These centers include the National Climatic Center, National Oceanographic Data Center, National Geophysical and Solar-Terrestrial Data Center, Environmental Science Information Center, and Center for Environment Assessment Services. In addition, it operates corresponding World Data Center facilities and participates in other international data and information exchange programs.

NOAA's National Earth Satellite Service operates the Nation's civilian operational environmental satellites and manages all civil,





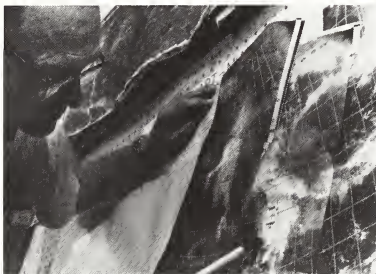
operational satellite remote sensing systems. It is developing an oceanic system in conjunction with NASA and other Federal agencies. The satellite service gathers and analyzes satellite data, and develops new methods of using satellites to obtain environmental data. As environmental satellite technology matures, sensors will be added to measure additional characteristics and to provide data on solar, ionospheric, oceanographic, and other geophysical phenomena.

NOAA's research and development programs aim to improve our understanding of the oceanic and atmospheric environments, and to apply this new knowledge to the solution of environmental problems. NOAA's Environmental Research Laboratories conduct basic and applied research in oceanic and atmospheric sciences through a nationwide system of 12 laboratories.

NOAA maintains strong research links with the academic community. Its Office of University Affairs works to strengthen and expand these ties. And its National Sea Grant College Program provides support for institutions engaged in comprehensive marine research, education, and advisory service programs, supports individual projects in marine research and development, and sponsors education of ocean scientists and engineers, marine technicians, and other specialists at selected colleges and universities around the country. In a number of important areas, such as ocean pollution, climate, and weather modification, NOAA is charged with providing leadership and direction for large multi-agency research efforts.

Major NOAA Environmental Research Laboratories are located at Boulder, Colo.; Princeton, N.J.; Miami, Fla.; Seattle, Wash.; Norman, Okla.; and Ann Arbor, Mich.

NOAA has assumed responsibility for coordinating Federal activities relating to marine pollution and climate. Special NOAA units act as focal points to coordinate, plan, and prioritize national needs, problems, and programs in these areas.



Legislation enacted in 1980 gave NOAA, through its Office of Ocean Minerals and Energy, responsibility for regulation and environmental research on the Nation's new programs in marine mining of deepsea mineral nodules and ocean thermal energy conversion activities.

NOAA plays an active international role in oceanic and atmospheric matters. It negotiates and then participates extensively in a wide range of international living marine resource agreements—including agreements to protect the great whales and North Pacific fur seals, to manage such international fish stocks as salmon and tuna, and to conserve Antarctic living marine resources. It conducts research programs under the auspices of international organizations such as the World Meteorological Organization and the Intergovernmental Oceanographic Commission and pursuant to agreements with such countries as France, China, and the Soviet Union. And it is involved in such multi-national efforts as the Global Atmospheric Research Program—the largest such program ever conducted—and negotiations for a Law of the Sea treaty.



# Office of Productivity, Technology and Innovation

The Office of Productivity, Technology and Innovation (OPTI) is concerned with science and technology as related to the overall requirements of business and industry, as well as to the broad social and economic objectives of the Nation.

The mission of OPTI is to enhance productivity and industrial development through the strategic application of science and technology. This mission will be accomplished by:

- Assisting the Secretary in establishing and administering science and technology programs responsive to national needs.
- Assuring that the operations of the National Bureau of Standards, the Patent and Trademark Office, the National Technical Information Service, and the Office of Product Standards are adequately funded and staffed, and effectively conducted.
- Establishing cooperative generic technology centers to enable research to be performed on chosen generic technologies, and that those technologies can be transferred to user industries.
- Establishing a center for the Utilization of Federal Technology to make technological information on research performed in Federal laboratories and federally-funded research and development centers available to the private sector.
- Establishment of a Productivity Reference Service to make relevant, up-to-date productivity-related data available to the private sector.
- Designing and implementing evaluations of Federal policies and programs that are intended to have impacts on industrial technology, productivity, and innovation.
- Monitoring the status of U.S. industrial technology, innovation, productivity and competitive performance, and relating these data to national economic objectives.
- Under the Federal Reimbursable Program, working with governments of other countries to assist them in their programs of technological development and management.
- Providing technological assistance to selected industries faced with actual or impending foreign competition.
- Strengthening the contribution of U.S. standards organizations to U.S. industrial productivity and strength.
- Implementing the programs embodied in PL 96-480—the Stevenson-Wydler Technology Innovation Act of 1980.

All of the programs of the Office of Productivity, Technology and Innovation are designed to maintain a dynamic, growing industrial economy through the effective use of science and technology.

# National Bureau of Standards

More and more, industry depends for its advancement on the fruits of scientific discovery and technological development. From the science of measurement we derive the process of mass production, with its dependence on precisely measured interchangeable parts; from investigations of the properties of materials come the new products and manufacturing processes which invigorate our industry and economy.

The National Bureau of Standards, the Nation's measurement laboratory in the physical and engineering sciences, was established by Congress in 1901 to help insure the compatibility of measurement standards needed by industry, consumers, the scientific community, and other government organizations. These standards provide the basis for the exchanges of goods, the accurate specification of products, quality control methods for production, the equitable enforcement of environmental regulations, and the establishment of adequate guidelines for the protection of public health and safety.

Over the years, NBS has built a reputation for accuracy and reliability. It is a laboratory used by industry, academia, and government alike as an independent, authoritative source of technical information and advice. Its research programs cover the entire range of the physical and engineering sciences. The Bureau's technical work is performed by the National Measurement Laboratory, the National Engineering Laboratory, and the Institute for Computer Sciences and Technology.

The National Measurement Laboratory provides the national system of physical and chemical materials measurement; coordinates the system with measurement systems of other nations, and furnishes essential services leading to accurate and uniform physical and chemical measurement throughout the Nation's scientific community, industry, and commerce; conducts materials research leading to improved methods of measurement, standards, and data on the properties of materials needed by industry, commerce, educational institutions, and government; provides advisory and research services to other government agencies; develops, produces, and distributes Standard Reference Materials; and provides calibration services.

The National Engineering Laboratory provides technology and technical services to users in the public and private sectors to address national needs and to solve national problems in the public interest; conducts research in engineering and applied science in support of objectives in these efforts; builds and maintains





competence in the necessary disciplines required to carry out this research and technical service; develops engineering data and measurement capabilities; provides engineering measurement traceability services; develops test methods and proposes engineering standards and code changes; develops and proposes new engineering practices; and develops and improves mechanisms to transfer results of its research to the ultimate user.

The Institute for Computer Sciences and Technology conducts research and provides scientific and technical services to aid Federal agencies in the selection, acquisition, application, and use of computer technology to improve effectiveness and economy in government operations. The Institute carries out this mission by managing the Federal Information Processing Standards Program, developing Federal automatic data processing (ADP) standards guidelines, and managing Federal participation in ADP voluntary standardization activities; providing scientific and technological advisory services and assistance to Federal agencies; and providing the technical foundation for computer-related policies of the Federal government.

As an agency concerned with strengthening the Nation's science and technology and promoting more effective applications for the public benefit, NBS is increasingly involved in major problems of our high-technology civilization. With a diversified staff representing the entire spectrum of the physical sciences, the Bureau provides technical support for other government agencies and for organizations in the private sector as they deal with the challenges posed by a nuclear, supersonic age, and the ever-more-rapid pace of change.

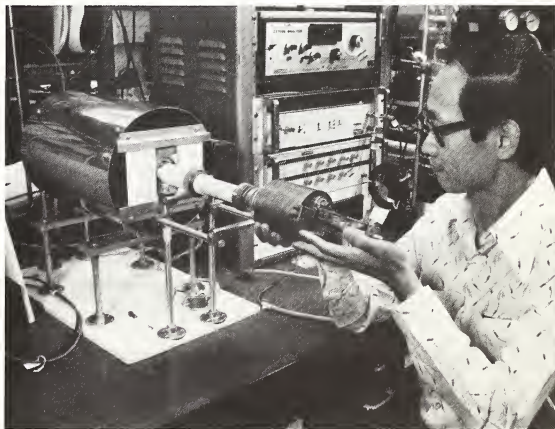
Energy, environmental, industrial productivity, and other problems affecting the public interest are currently demanding and receiving a major share of the Bureau's attention. NBS efforts in energy conservation make up a significant portion of the total Federal activity in energy conservation. The Bureau's Office of Energy Programs oversees and coordinates the

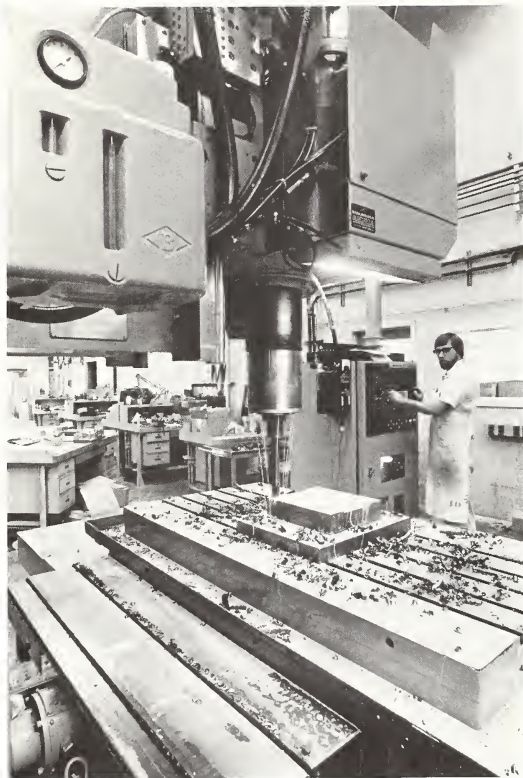
large number of projects on energy conservation in buildings, appliances, community services (utilities), and industry. These projects involve laboratory and field research and dissemination of information to industry, architects, engineers, and consumers.

In the war on pollution—air, water, thermal, noise, solid waste, and radiation—new levels of precision measurement and sophisticated experimentation are required, and NBS skills are being marshalled to aid in the nationwide cooperative effort on this front.

To provide more adequate low-cost housing for millions of Americans, there is a need for sound, up-to-date performance standards designed to encourage innovations in materials and methods. The Bureau's testing knowhow is playing a key role in this area.

Planning for dependable mass transportation is being facilitated by NBS systems analyses and computer simulations which offer a basis for estimating the cost effectiveness of proposed new systems.





Research bearing on the service life of mechanisms and structures is an important activity of the Bureau, and authorities probing serious mechanical failures or disasters such as the collapse of a bridge, the crash of an airplane, the breakup of a ship, or the performance of buildings during hurricanes, tornadoes, earthquakes, and floods, are likely to call upon NBS experts to contribute specialized analyses of some of the evidence.

NBS conducts basic research into the nature of fire and how to fight it. It also helps strengthen building fire codes and standards through technical advice to major national building codes and standards groups. In addition, it develops design criteria and flammability tests for building materials and systems, which help to produce more fire safe buildings.

To carry out its research and services, NBS operates modern physical facilities in two locations. In Gaithersburg, Maryland, located north of Washington, D.C., NBS has 26 buildings in a campus-like setting on 230 hectares (575 acres). The Bureau also has 14 buildings on 83 hectares (208 acres) in Boulder, Colorado. The Joint Institute for Laboratory Astrophysics, cosponsored by NBS and the University of Colorado, is also located in Boulder. Here scientists carry out studies in atomic and molecular physics and astrophysics. At Ft. Collins, Colorado, NBS radio stations WWV and WWVB broadcast standard time and frequency information. Another station, WWVH, broadcasts from Kauai, Hawaii.

As one of the Nation's largest physical science laboratories, the Bureau houses a number of special facilities. A high flux nuclear research reactor is used daily by scientists from NBS, other agencies, and universities in projects ranging from nuclear theory to analysis of food contaminants. An electron accelerator capable of producing well focused electron beams of 140 million volts is used to produce high energy electrons, positrons, photons, and neutrons for nuclear research by NBS scientists and in cooperative studies with a number of university groups.

Another facility, the Synchrotron Ultraviolet Radiation Facility (SURF), is one of the few of its kind in North America. Having been converted into a storage ring, SURF is now capable of producing intense short wavelength ultraviolet radiation, which is especially useful for radiometry in studies of controlled nuclear fusion energy sources and atmospheric space science programs.

Among other facilities are a fire research laboratory, an experimental computer facility, and several environmental chambers. In addition, an extensive instrument shops division answers specialized research needs. Shop capabilities include glass blowing, optics, and metalworking.



# The Patent and Trademark Office

The Patent and Trademark Office is the bureau of the Department of Commerce which provides patent and trademark protection to inventors and businesses for their inventions and corporate and product identifications. Through the preservation, classification, and dissemination of patent information, the Patent Office aids and encourages innovation and the scientific and technical advancement of American industry.

It examines applications and grants patents on inventions when applicants are entitled to them, publishes and disseminates patent information, records assignments of patents, maintains search files of U.S. and foreign patents for public use, and supplies copies of patents and official records to the public. Similar functions are performed relating to trademarks. (Copyrights are the responsibility of the Copyright Office of the Library of Congress.)

Granting of patents to inventors to prevent others from making, using, or selling their inventions for a limited time is based upon a provision of the Constitution which envisioned this reward as the incentive it has become to our citizens to use their inventive talents. The trademark system is based upon later legislation.

Through the granting of patents, the Patent and Trademark Office has accumulated the world's largest collection of applied technical information. This information has been growing at an accelerating rate ever since 1790, when the Patent System was created.

There are now more than 4 million U.S. patents and more than 9 million foreign patents on file. More than 70,000 new patents are granted annually. In addition to patents on devices, compositions, and processes, these

include patents on new ornamental designs of manufacture and new varieties of plants.

The Patent and Trademark Office has a system of classification in which the patents are divided into classes and subclasses of subject matter, covering all items from the simple to the complex—from hairpins to electronic computing devices. This system permits any individual to locate and examine all existing patents in any field of technology. The Patent Office Search Room at Crystal Plaza, 2021 Jefferson Davis Highway, Arlington Virginia, is open to the public.

The *Patent Official Gazette*, published weekly, describes patents issued by the Patent and Trademark Office.

*General Information Concerning Patents* serves as a guide for the filing of a patent application and an introduction to the subject of patents and the working of the Patent and Trademark Office. A similar publication, *General Information Concerning Trademarks*, concerns the application for and the registration of trademarks, expressed in non-technical language for the layman. Patents are instrumental in industrial research—important not only to individuals but to all technological progress. This collection of technical data can yield solutions and save valuable research dollars.

A new information service, *Information for Innovators*, has been created to bring innovation opportunities to the attention of industry and the private sector.

One-time inventor Abraham Lincoln said "The Patent System added the fuel of interest to the fire of genius." The fire ignited many years ago is still flaming.





# National Technical Information Service

The National Technical Information Service of the U.S. Department of Commerce is the central source for the public sale of government-sponsored research, development and engineering reports and other analyses prepared by Federal agencies, their contractors or grantees, or by special technology groups. NTIS also is a central source for Federally generated machine processable data files.

NTIS ships 23,000 information products daily as one of the world's leading processors of specialty information. It supplies its customers with about six million documents and microforms annually. The NTIS information collection exceeds 1 million titles, all available for sale. About 80,000 titles are in current shelf stock.

NTIS is obligated by Title 15, U.S. Code 1151-7 to recover its costs from sales. The distribution of its information products and services is self-sustaining.

Timely and continuous reporting to subscribers is ensured by agreements between NTIS and hundreds of Federal research-sponsoring organizations and special technology groups.

Customers may quickly locate summaries of

interest from among the 750,000 Federally sponsored research reports completed and published from 1964 to date, using the agency's on-line computer search service (NTISearch). About 70,000 new reports are added annually. Copies of the whole research reports are sold by NTIS in paper or microfiche.

The NTIS Bibliographic Data File (on magnetic tape) includes unpublished research summaries and is available for lease. The computer products of other Federal agencies also are sold or leased by NTIS.

Current summaries of new research reports and other specialized information in various categories of interest are published in 26 weekly newsletters. An all-inclusive biweekly journal is published for librarians, technical information specialists and those requiring all the summaries in a single volume with an accompanying index.

A standing order microfiche service automatically provides subscribers with the full texts of research reports, selected to satisfy individual requirements.

Additional services, such as the coordination, packaging and marketing of unusual information for organizations may be specially designed.

# National Telecommunications and

The National Telecommunications and Information Administration was established in May 1978 by Executive Order to merge the functions of the Department's Office of Telecommunications and those of the White House Office of Telecommunications Policy.

NTIA has extensive responsibilities in Executive Branch policymaking in the two areas that form its title. It is the principal adviser to the President on telecommunications policies that pertain to the nation's economic and technological advancement and to the regulation of our vast telecommunications industry—which consists of telephones, radio and television, microwave lines and satellite systems.

In part, the creation of NTIA reflects the rapid development of communications technologies—for example, satellites, optical fibers, and miniaturized computers—which have raised a number of complex policy issues relating to communications and information in both the domestic and international spheres. NTIA's Office of Policy Analysis and Development studies these issues and formulates policy to meet them.

Among the major telecommunications concerns of this office are the effects of increased competition—made possible by changes in regulations—on common carrier operations and the growing overlap between telecommunications and computers. In the field of information, the focus is on such issues as privacy and the impact of privacy legislation here and abroad on the flow of electronic data across national boundaries.

Public service institutions, such as schools, hospitals, libraries, police and fire departments, and government agencies at all levels, can benefit greatly from telecommunications. NTIA's Office of Telecommunications Applications assists these institutions and other groups in using advanced telecommunications systems and technology to better achieve their goals.

Specifically, it identifies public service needs and shows how to meet these needs through

# Information Administration

telecommunications. It coordinates Federal telecommunications assistance to state and local governments and develops policies for public broadcasting. It helps Federal agencies find ways to use telecommunications to improve efficiency of operations or achieve cost savings. And it conducts interagency experimental and pilot testing of telecommunications equipment and services.

The Office of Federal Systems and Spectrum Management performs diverse services. For example, it establishes policy governing the Federal Government's use of the radio frequency spectrum and assigns frequencies to Federal agencies. To do this effectively, it conducts extensive engineering analysis and research on the technical problems relating to spectrum management.

In addition, it is cooperating with the Federal Communications Commission in developing a long-range plan for the management of all our national electromagnetic resources. And it chairs the Interdepartment Radio Advisory Committee.

It further provides for the coordination of the telecommunications activities of the Federal Executive Branch and advises the Office of Management and Budget about policy concerning the procurement and management of Federal telecommunications systems.

The Institute for Telecommunication Sciences serves as the central Federal Government laboratory for research on the transmission of radio waves. Under different agencies within Commerce, it has been in continuous existence since 1942 and embodies a Department radiowave propagation research effort that dates to the era of the First World War. Its work is performed not only for NTIA but also for many other government agencies.

The Institute conducts applied scientific and engineering research on the effects of the environment on radio waves, the interaction among these waves, and problems posed by telecommunications systems and standards.

NTIA also has responsibilities pertaining to international telecommunications. It advises the Department of State on the formulation of policy and plans in this area, coordinates interdepartmental preparation for U.S. participation in international telecommunications conferences and negotiations, and serves as chief liaison agency between the President and the Communications Satellite Corporation.







# Minority Business Development Agency

Minority Americans—Blacks, Hispanics, Asian Americans, and Indians—traditionally have been excluded from participating fully in the American business mainstream. They have been relegated to small-scale operations with limited markets. The first census of minority-owned businesses showed that in 1969 America's 35 million minorities (17 percent of the population) controlled only four percent of the Nation's business enterprises. The gross receipts from minority-owned firms accounted for less than 1 percent of total U.S. business receipts.

In recognition of the need to increase minority participation in American business, the Minority Business Development Agency (MBDA) was established in the Department of Commerce in 1979.

MBDA is the only Federal agency created specifically to provide management and tech-

nical assistance to minority business owners. The Agency helps to coordinate and direct the resources of other Federal agencies in support of minority business development.

But government, although critical in the process, cannot do the job alone. Consequently, MBDA works closely with private business executives and with trade and professional groups in order to promote industry support for minority-owned firms.

The Agency's program is designed to help minority businesses develop into medium- and large-sized firms in those industries that produce jobs, add stability to communities, and improve the overall economy.

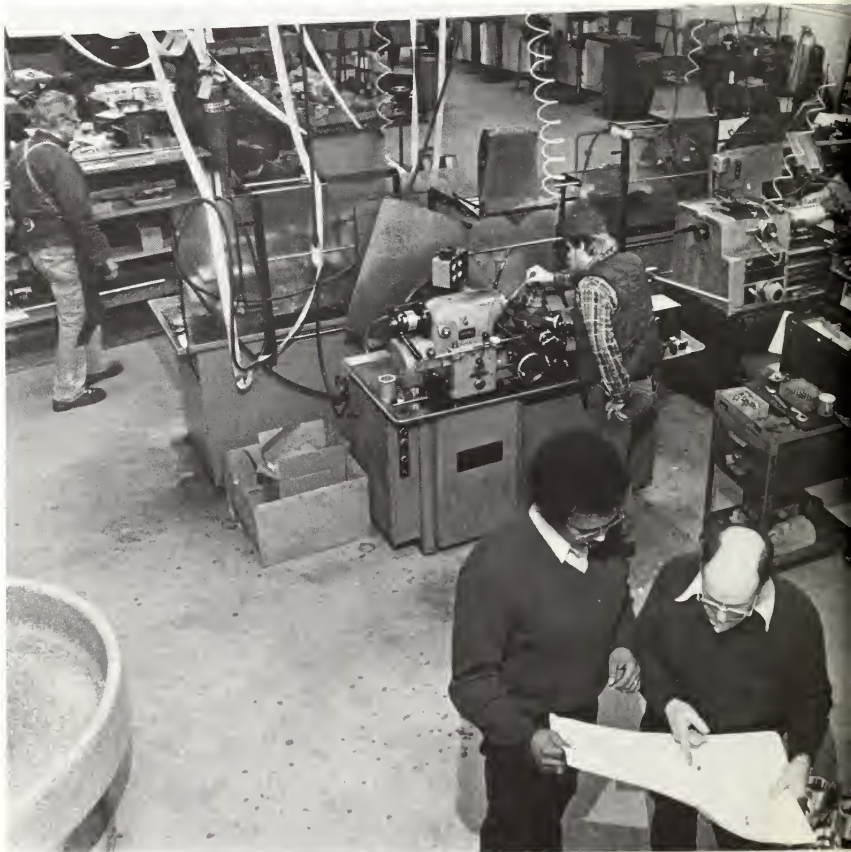
MBDA has six regional offices located in New York City, Washington, D.C., Atlanta, Chicago, Dallas, and San Francisco. It has small district offices in 33 other cities.

The regional offices manage a network of



local business assistance centers. By visiting one of these centers, the minority entrepreneur can get assistance in preparing a business loan package, securing sales, or solving a particular management problem. If the minority business person needs technical assistance beyond the

expertise of the center's staff, MBDA can call on volunteers or, in some cases, professional consultants. Specialized assistance centers work exclusively with minority construction contractors, and other MBDA funded organizations work primarily with Indian entrepreneurs. Since



MBDA pays the operating costs of these centers, the service is provided free to the minority business.

At its Washington, D.C. headquarters, MBDA develops and monitors national minority business programs and initiatives. The National

Minority Supplier Development Council, composed of executives from more than 1,000 major corporations, is one of these programs. Funded by MBDA, the group works to increase corporate purchases of products and services from minority firms.

MBDA encourages private companies, universities, church groups, economic development agencies and individuals to support minority firms through privately capitalized Minority Enterprise Small Business Investment Companies (MESBICS). For every \$1 of private money invested in a MESBIC the government will invest up to \$3, which the MESBIC can then loan to minority firms. MESBIC loans are usually in the form of equity investments or long-term financing, and often go to minority business owners who could not get financing otherwise. In fiscal year 1980, MESBICS reported providing financial assistance of \$35.1 million to 346 minority-owned firms.

A major part of the minority business assistance program focuses on what Federal agencies can do to help minority entrepreneurs. The Interagency Council for Minority Business Enterprise (IAC), chaired by the Deputy Secretary of Commerce, is a major part of MBDA. Through IAC, MBDA implements the national urban policy goal of tripling Federal procurement from minority firms.

The MBDA technology commercialization program provides for the transfer of commercially profitable products or processes developed through research by major companies or the Federal Government to minority firms for production and sale. Through a cooperative arrangement with several public and private organizations, MBDA provides minority firms with technical, marketing and financial support.

MBDA also conducts demonstration projects to gather data on ways to improve national minority business development. A primary aim of this effort is to identify new areas of business opportunity that represent high growth potential, as well as identifying the skills and resources required for entry into these areas by minority entrepreneurs.





# United States Travel Service

The United States Travel Service (USTS) is the national tourist office whose mission is to encourage foreign travelers to visit the United States.

International tourism is the largest single factor in world trade. Although many tourists from other nations visit the United States, their spending here does not balance what Americans spend in their travels abroad. The resulting tourism dollar gap is a significant part of the overall balance of payments deficit.

Headquartered in Washington, USTS maintains field offices in Toronto, London, Paris, Frankfurt, Tokyo and Mexico City. The six offices are "travel trade contact centers" staffed by specialists who develop VISIT USA sales opportunities for travel agents and others who promote USA-bound trips. Tourism to the United States is promoted through smaller promotion programs in additional countries which rank high in tourism generating importance.

Chief sales approaches used by USTS abroad include tour development, agency sales development and convention sales.

USTS' tour development program is designed to motivate international tour producers to create more package tours to the United States. Sales development is the approach used by the field offices in motivating foreign travel agents to sell the general public abroad on travel to the United States.

Each year, the United States welcomes thousands of visitors who travel here to attend international congresses, conventions and business meetings. USTS conducts a major program designed to persuade international associations to choose the United States as a site for an international meeting.

Other promotional programs conducted by USTS internationally include limited advertising, feature articles placed with the news media, and brochures. A familiarization tour program acquaints foreign travel agents, tour operators and journalists with U.S. destinations. USTS also assists States, cities and nonprofit organizations in their efforts to promote international travel to the United States.

USTS provides assistance to U.S. travel-sellers and State and local tourism officials who compete for foreign VISIT USA business.

USTS collects and analyzes data to guide the formulation of its programs, and to provide the travel industry with timely market intelligence.

Statistical, marketing, and economic data are obtained from a variety of sources, including international organizations, foreign government tourist offices, State tourism offices, private organizations, and marketing research and evaluation studies.

USTS designs marketing programs to cultivate specific markets and market segments with the greatest potential for travel; analyzes U.S. tourism attractions and facilities to pinpoint the most saleable features and benefits in specific areas, matching these attractions and facilities to the travel needs and desires of each foreign market; stimulates development of specific tour packages by the travel trade; monitors marketing activities of competitive destinations; and develops merchandising programs.





Educating the travel trade abroad on U.S. travel destinations and how to sell them effectively is another important field office activity.

Familiarization tours are designed to acquaint international travel experts with U.S. tourism opportunities. These familiarization tours have become valuable tools for travel specialists, which include travel agents, travel wholesalers and journalists.

An assortment of sales promotion literature supports the advertising campaigns and other USTS marketing programs in each country. The literature is available in English, French, German, Japanese, and Spanish.

Communication techniques and news media outlets are utilized as primary marketing tools in "selling" the United States as a destination to people in other nations. USTS creates and distributes destination feature material specifically tailored to utilize the news media in the six pri-

mary foreign market areas.

The International Congress Office in Paris is charged with encouraging international associations to choose the United States as a site for their world congresses and to promote international attendance at these meetings.

USTS maintains liaison with regional, State and city tourism officials. The purpose of this relationship is to encourage State and local tourism officials to provide the necessary receptive services for international and domestic visitors, and to assist them in promoting their destinations and attractions in both the international and domestic markets.

The agency makes recommendations concerning the national tourism interest in the policy-making process within the U.S. Government and represents U.S. tourism views as a member of various international intergovernmental associations.



# A Brief History

FROM the era of the Yankee Clipper to today's ocean-spanning jet planes, the increasing complexity of the national and world economy has required new services and new tools to meet the needs of each succeeding development.

Predictably, then, the history of the United States Department of Commerce is marked by change, a reflection of our expanding knowledge of technology and economics as they affect the world market place.

Established as the Department of Commerce and Labor by the Congress in 1903, the Department's constituent agencies reflected the business interests and perspectives of the day: the Lighthouse Service, the Lighthouse Board, the Steamboat Inspection Service, the Coast and Geodetic Survey, and eight bureaus: Corporations, Labor, Census, Statistics, Fisheries, Navigation, Immigration and Standards. The Bureau of Manufacturers was added in 1904. Only three of these—Standards, Census and the Coast and Geodetic Survey (renamed the National Ocean Survey)—are important agencies of the Department today. In 1913 the newly created Department of Labor assumed responsibilities in the labor field, and the newly named Department of Commerce concentrated on the field of business.

Even before that, in 1912, the Bureau of Manufacturers and the Bureau of Statistics were merged with the State Department's Bureau of Foreign Commerce to become the Bureau of International Commerce, which conducts one of the Department's vital economic programs: export expansion.

The Patent Office, vital to the spread of new technology, was transferred to Commerce from Interior in 1925.

Commerce was given jurisdiction over the Weather Bureau in 1940, recognition of the fact that the science of weather is a crucial factor in many industries as well as in farming.

In 1949, the Bureau of Public Roads was transferred to the Department from the old Federal Works Agency. A year later the former independent Maritime Commission was abolished, and the Federal Maritime

Board and the Maritime Administration were established in the Department as successor agencies. Under subsequent changes, the Federal Maritime Commission was set up as an independent agency and the Maritime Administration continued in Commerce until 1981 when it was transferred to the Department of Transportation.

Following the outbreak of fighting in Korea in 1950, the National Production Authority was established in the Department to assure an adequate flow of critical materials in support of the war effort. Later this agency became the nucleus for the Business and Defense Services Administration, established in 1953.

In 1958, the President designated the Secretary of Commerce to direct and supervise the Saint Lawrence Seaway Development Corporation in all matters except construction. As a further aid to the economic development of this "fourth coastline" of the United States, two years later the Department created the Great Lakes Pilotage Administration to set up an effective system of regulated pilotage on the Great Lakes.

That year, 1960, and again in 1962, the Department was charged with supervising the Federal Government's participation in several world fairs, both of which attracted many foreign visitors to our shores. The first was the Century 21 Exposition at Seattle, and the second was the New York World's Fair.

Two new agencies were added to the Department in 1961. One was the Area Redevelopment Administration, which helped revitalize depressed areas and generate employment opportunities for idled workers. The Agency was established in the Department of Commerce because of its close relationship with the commercial and industrial communities. In 1965, it was succeeded by the Economic Development Administration, whose companion agencies were the Office of Regional Economic Development and the Office of Appalachian Assistance—all of which sought to assist local efforts in creating new industry and

employment in areas with lagging economics.

The second of the agencies added to the Department in 1961 was the United States Travel Service, given responsibility for selling people overseas on the idea "Visit USA." The dollars they spend here help create new jobs in the travel industry and benefit the Nation's balance-of-payments accounts.

Upon passage of the Civil Rights Act of 1964, the Community Relations Service was established by Congress in the Department of Commerce to encourage voluntary compliance with the provisions of the new legislation. Under a reorganization in the Federal Government, the agency was transferred to the Department of Justice in 1966.

The Environmental Science Services Administration was created by a reorganization in 1965, bringing under one administrative roof the Commerce scientific resources and services involving understanding of man's environment. The National Oceanic and Atmospheric Administration (NOAA), succeeded the Environmental Science Services Administration on October 3, 1970. NOAA's formation brought together the functions of the Environmental Science Services Administration (and its major elements: the Weather Bureau, Coast and Geodetic Survey, Environmental Data Service, National Environmental Satellite Center, and Research Laboratories); the Bureau of Commercial Fisheries, Marine Game Fish Research Program, and Marine Minerals Technology Center (formerly of the U.S. Department of Interior); the National Oceanographic Data Center and National Oceanographic Instrumentation Center (formerly administered by the U.S. Navy); the National Data Buoy Development Project (formerly of the Coast Guard, U.S. Department of Transportation); National Sea Grant Program (formerly of the National Science Foundation); and elements of the U.S. Lake Survey (formerly of the Army Corps of Engineers).

The Office of State Technical Services was created in 1965 by Congress to administer cooperative State-Federal programs for spreading the fruits of science and technology. It was intended to do for the American businessman what the Agricultural Extension Service has done for the American farmer. Because funds were not appropriated for its continuation, it was phased out of existence in June 1970.

When the Department of Transportation was created in 1966, Congress transferred to it the following Commerce components: The Office of the Under Secretary for Transportation, the Bureau of Public Roads, the Great Lakes Pilotage Administration, and the St. Lawrence Seaway Development Corporation.

In 1967, the Office of Standards Review was established to deal with development, adoption or publication of voluntary or mandatory product standards. Renamed the Office of Standards Policy in 1968, this office was reorganized in July 1969 under the new name of Office of Product Standards. It provides staff support to the Assistant Secretary for Science and Technology in standards and standardization. Activities are divided between policy guidance for units which implement certain statutory responsibilities of Commerce in standardization.

In 1980 the Office of Science and Technology was renamed the Office of Productivity, Technology and Innovation to reflect the department's increasing emphasis and responsibilities in the area of industrial innovation and productivity.

In 1968, as part of a comprehensive program to reduce the Nation's balance-of-payments deficit, the Office of Foreign Direct Investments was established in the Department and given the task of reducing the outflow of dollars used for direct investment in other countries. This office was phased out in June 1974.

The Office of Minority Business Enterprise was established in the Department in 1969 to help members of minority groups, including Blacks, Mexican-Americans, Puerto Ricans,

grams was designated as the principal point of contact within the Department for special problems involving industries affected by import competition. It also analyzes the effect of imports on domestic markets.

The Offices of Textiles and the Import Programs Division are now under the International Trade Administration.

In November 1972, the Department realigned and broadened its domestic business and export expansion support operations to enhance the world trade position of U.S. industry; to facilitate commercial contact between this country and the State trading economies of Eastern Europe and China, and to develop a new program directed toward solving the Nation's growing energy problem. At this time, the

Domestic and International Business Administration was created. In 1977, realignment of some bureaus resulted in the establishment of the Industry and Trade Administration.

In 1980, ITA was reorganized and assigned additional responsibilities in the area of international trade. It was renamed the International Trade Administration.

The National Fire Prevention and Control Administration was established in October 1974. In 1979 it was withdrawn from the Commerce Department and became a part of the Federal Emergency Management Agency.

The Bureau of Industrial Economics was organized in 1980 to provide research and economic analysis related to U.S. domestic industries.



# The Commerce Department Building

The Commerce Department Building, which sprawls over eight acres, is in constant motion. Its building materials expand and contract with changes in temperature. Actually, the building is three complete rectangular buildings in one, with the three units joined with accordion-type expansion joints. It was constructed in this manner because the building sits over Washington's Tiber Creek. There was no bed rock into which foundation piles could be driven. Seepage water from this Potomac River tributary at the time excavating was finished created an eight-acre lake, necessitating unusual construction methods to make the building stable and to eliminate seepage in the sub-basement and basement. Completed in 1932, the building's expansion and contraction features are such that on the

hottest day in summer the structure may be three inches longer than on the coldest day in winter, thereby protecting the building from suffering any structural damage.

Among the outstanding features of the building is the Commerce Department auditorium, with seating for 509 persons. The auditorium has modern audio and visual equipment, and is made available to other Federal and District of Columbia agencies, employee organizations, accredited representatives of foreign governments which make reciprocal privileges available to U.S. Government representatives in their countries, officially recognized organizations whose work is related to the Department, and charitable and veterans organizations.

Publications issued by various agencies of the



U.S. Government are sold in a Government Printing Office sales office in Room 1605. The Department of Commerce library on the seventh floor has a collection that includes more than 340,000 volumes of economic, statistical and technical information.

A modern aquarium, maintained by the Department of the Interior's Fish and Wildlife Service is located in the basement. It occupies a

space 128 feet wide by 48 feet in which there are 48 display tanks featuring fish, frogs, turtles, and other aquatic life common to the waters of North and South America.

Exhibits showing the work that various agencies within the Department do are also featured on a continuing basis in the building's lobby. One lobby exhibit, the Census Clock, shows the population of the United States at any moment.



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